

# APPENDIX A.

## MESSAGE OF GOVERNOR HOGG.

EXECUTIVE OFFICE,  
AUSTIN, TEXAS, January 11, 1895.

*Gentlemen of the Senate and House of Representatives :*

A retrospective view of the last four years, taken in the light of the governmental reforms accomplished in obedience to the will of the people during that time, must inspire every patriotic Texian with a sense of felicitation and pride. While your honorable bodies are confronted with inadequate funds upon which to operate the government for the next two years, nevertheless, as faithful officers and loyal citizens, there is doubtless much gratification in the reflection, tested by truth, that extravagance has not caused the condition, nor have the tax-payers borne hardships as a consequence.

In rendering obedience to the constitutional requirements, that at the commencement of each session of the Legislature, and at the close of his term of office, the Governor shall give to the Legislature information by message of the condition of the State; that he shall recommend such measures as may be deemed expedient; that he shall render an account of all public moneys received and paid out by him from any funds subject to his order, with vouchers; and that he shall present estimates of the amount of money required to be raised by taxation for all purposes, I experience much pleasure in the contemplation that the service is to be performed to an intelligent body of men, elected by the people, who can fully appreciate and understand the true condition of the State; and who are committed by the demands of their constituents, expressed through party platforms and at the ballot box, to uphold the measures and policies of, and to support the leading laws inaugurated, promoted, and adopted by my administration.

Briefly stated, the condition of Texas simply is, that recently her foundations, so to speak, have been relaid strongly, securely, to the end that the sovereign people may maintain, control, and operate their governmental affairs at the lightest possible expense for the preservation of their rights and liberties, without menace from any source.

### THE LEADING LAWS.

The Railroad Commission Law has been created, and after two long years of perplexing litigation, it has been permanently settled to be constitutional. It is freely admitted to be the strongest and most efficacious law of the kind in any government. Its operation is wise and just to the people and the railways. Its membership is composed of able, incorruptible, experienced men, in full sympathy with public interests, and friends to the policy of the law itself. Under this law, now so efficiently administered, extortionate rates, rebates, and discriminations in trans-

portation by the railways of this State are practically at an end, and must continue so during its faithful execution. Home products supply home markets, and thus local traffic has become actively stimulated, to the profit and advantage of the producers and consumers, as well as to the railways themselves. No longer must the sad spectacle of surplus perishable agricultural products be seen to decay without the benefit of a market. Traffic now, at reasonable rates, can seek the waterways and find cheap transportation to the markets of the world by safe sea-going vessels. Thus commerce becomes unfettered, and is no longer forced to pay tribute to all-rail routes for thousands of miles to water points abroad. Besides having the advantage of reasonable local rates for shipment to and from points within the State, our traffic has the benefit of competition at every central point in Texas by connecting lines that carry it abroad. The material resources of our State can not be longer stifled by arbitrary, discriminating rates against them in favor of non-resident people and industries. With confident expectation we may now look for the location of needed factories at the door of the raw material within the State, where they can thrive in supplying the wants of the people with manufactured articles. The new system has brought about a revolution in the management of local railways, and has drawn nearer together in bonds of sympathy to a common understanding the officers of the roads and their employees. This consummation will promote the efficiency of the lines, will maintain good wages among all railway laborers, and will avert the serious calamity of strikes, so menacing in some sections to the tranquility of all citizens. In the reduction of traffic charges alone, the producers, without detriment to the railway companies, will average in savings several million dollars annually. This is accounted for by reason of the fact that the companies are compelled, at the rates and under the regulations of the Commission, to transport to and from points within the State, at the will of the shipper, such local traffic as may be offered. The companies carrying the traffic are entitled to all of the charges, for they escape the necessity of dividing with outside lines. Before the Commission Law was adopted, nearly eighty-five per cent of the Texas traffic was what is termed "interstate commerce;" which means commerce shipped from or into the State across her lines—thus giving to the outside connecting railways a division of the earnings on a mileage basis. For instance, corn and wheat were shipped from Kansas through Texas grain fields to supply our home demands. By this method the home company would get but a small division of the earnings. Now Texas wheat and corn are first in the market, and first to be shipped to supply the wants of our people. As a consequence, Texas railways, as to such traffic, have no division to make with outside companies. This rule applies to everything else shipped to and from points within the State, and as a result the per cent of interstate traffic is being greatly reduced, to the proportionate advantage of local commerce and railways and to home industries.

Looking ahead, only one danger can be seen to threaten the usefulness of the Commission; and, by timely legislative action, this can be measurably avoided. The trouble lurks in the political arena. Should the great powers vested in the Commissioners be diverted from commercial channels into political currents, then the danger must be fully realized by the people. By all means, in so far as is possible, the Commis-

sion should be eliminated from politics. As a business institution, its beneficial work must be keenly felt by every material interest in the State. As a political machine, every revolution of it would menace the happiness of the people. By constitutional amendment adopted at the last election the Commissioners are made elective. This is the first unfortunate step taken for the Commission. The people demanded it. They had a right to it. Now they have the privilege, by their own act, to elect the Commissioners. It is in the power of the Legislature, however, to throw safeguards around them, so the evil that must result from their engaging in political elections may be restricted, circumscribed.

In my first message in 1891 on this subject, warning the Legislature against this danger, and pointing a way out of it, I said: "This can be done by providing that no member of the Commission shall be eligible to any other position of emolument or trust for the period of two years after the expiration of his term as Commissioner. \* \* \* One of the great achievements of the Commission, desirable by all classes, should be the removal of the railways from politics. With the feature of disqualification as suggested, it is not impossible for this result to be fully attained. \* \* \* By this method the biennial political agitations and corrupting influence of corporate power in the elections, always productive of discontent, jealousy and unhappiness among the just people, will be at an end."

Every word of this I repeat now. There is serious danger to result if the Railway Commission is permitted to engage in politics. Their election, with all the legislative restrictions that may be placed around them, will produce much trouble anyway. To permit them to use their powers for political advantage in seeking other offices, will, in time, greatly impair, if not destroy the efficacy of the law. It can not be objectionable to any man in public life, who prefers a fine record to political promotion, to know that the law forbids his becoming a candidate for another office for a named period of years. His answer to the frequent importunities to run for office will be sufficient when he replies that the law forbids it. Thus his great public work will go on undisturbed, to the honor of himself and benefit to the people. The law needs no amendment. A simple act, providing for the election of the Commissioners, in obedience to the late constitutional amendment, and declaring their ineligibility to other office for a short period of years, will be sufficient.

That the Commission case is settled, and there is peace between the railways and the people, is a blessing to the whole State; and the law executed clear of political design, on the one hand to prevent the confiscation of the people's property by excessive traffic rates or taxes, and on the other, so as to insure to the railway companies just rates that will afford them a reasonable return upon their investment, will be productive of untold benefit that must in time redound to the prosperity of every legitimate interest within the State.

#### THE STOCK AND BOND LAW.

As a companion to the Commission Act, the railway "Stock and Bond Law" may be next considered. This law, among other things, defines corporate franchises, provides for making public the value of railroads, and limits the aggregate amount of stock and bonds to be executed by

them to the value of the property to be affected thereby. This rule can not be relaxed except by the consent of the Commission, and then only in case of an emergency, on conclusive proof shown that public interests or the preservation of the property of the company demand it; in which event the stock and bonds in the aggregate may exceed, by consent of the Commission, the value of the road to the limit of fifty per cent.

Clearly this law settles the following essential propositions:

1. That except on the conditions of emergency named, no railroad constructed before the act took effect, can reissue bonds or execute new ones in excess of the value of the property as established by the Commission's experts, under the provisions of the law.

2. That no railway company can execute bonds on unfinished road, and must expose to the Commission its property rights and construction contracts to insure fairness to the public in the transaction.

3. That in the construction of new roads, and in the execution of all indebtedness to be secured by lien on the property, good faith to the public and ample security to the creditor are the prime factors that the Commission must jealously guard.

4. That to guarantee good faith and fair dealing in the execution of railway bonds, the penalties inflicted for violations of the law are: first, a forfeiture of the corporation's charter; second, the particular act is made void; third, each director, and the president, secretary and every other official who knowingly takes part in the illegal transaction, is made a felon, and subject to imprisonment in the State penitentiary for the offense.

Before the enactment of this law, it was the custom of railroad companies to add millions upon millions of dollars to their bonded indebtedness annually. For many years the records show an annual increase of from ten to thirty millions of dollars to their interest-bearing bonds, without any corresponding benefit to the property or the public. They were simply issued for speculative purposes, and then floated in the markets of the country as the professed work of good faith. Thus railway securities became so mingled with "wind and water," fraud and rascality, that the best of them were under more or less suspicion. Now such is not the case. Henceforth every such bond will have the stamp of honesty on it. It is a matter of congratulation and free comment, that though the law has been operative for about eighteen months, there have been no bonds issued by old roads since it took effect; and that, for the construction of new roads, the five per cent bonds now being issued under it are in demand at par. Instead of the effect of the law being to prevent the construction of railways, it is a pleasing fact to note that to-day more railroads are being built by reason of it in this State than are being constructed in any other State of the Union under the old system. Under this law honest investors are saved from legalized robbery, and Texas people are guarded against the most certain, insidious, unjustifiable method of confiscation that was ever concocted or permitted through the abuse of corporate franchises.

#### THE MUNICIPAL BOND LAW.

The Legislature two years ago also passed a law limiting the execution of county, city, and all classes of municipal bonds to actual public

necessities, so that the spirit of extravagance can no longer be found in them. Before they can be circulated, they must receive the certificate of the Attorney-General to the effect that they are in compliance with law, and then they must be registered in the office of the Comptroller. After being sold, they can not be impeached except for fraud or forgery, and all persons guilty of those two acts, or either of them, in relation to such bonds are punishable by confinement in the penitentiary.

Since the adoption of the law, the rate of interest on bonds executed under it has been reduced, and the securities themselves are purchased sometimes at a premium, and never less than par, for investors know, to a moral certainty, that they will be paid.

At best, the wisdom of the execution of public bonds is, to say the least, doubtful. The excuse for them is often imaginary and untenable. After people issue them, it is right that they should be paid without quibble. Under the new law their appearance in court will be rare indeed, if ever it again occurs. As certainly as they are issued, they will be paid. Additional to this just consummation is the blessing to the people springing from the fact that the inducement to public extravagance is reduced to the minimum. The bonded indebtedness for the future will be light compared to the past, and posterity will be wisely protected against much abuse from that source.

#### THE ALIEN LAND LAW.

To prevent the system of absentee landlordism which in some countries seems to menace the prosperity of the people, the Legislature in 1892 passed what is known as "the Alien Land Law." This law is effective only as to non-resident aliens who after its passage may acquire title to land in the State. The law does not apply to land owned by aliens at the date of its adoption so long as it is held by them; nor to those who acquire lands and within due time become bona fide inhabitants of the State. It gives all aliens the right of acquiring land or interest therein through the ordinary course of justice in the collection of debts; and authorizes them to loan money upon real estate and to acquire title to it by foreclosure of their lien thereon. It intends, however, that all persons being non-resident aliens—people not residents or citizens of the United States—shall sell their real estate when they acquire the title to it by devise, descent, or purchase, within ten years thereafter. Should those who are subject to the provisions of the law not part with their titles within the period named, then it is made the duty of the State's attorney to institute proceedings in the proper court to have the lands sold at public auction, and the proceeds thereof, less the costs, to be deposited with the district clerk, subject to the order of the owner. The law itself is just, reasonable, and liberal, in that it does not attempt to destroy vested rights, nor to prevent the collection of debts, nor to interfere with the title to land except when the non-resident alien fails or refuses to become a resident or citizen of some State of the Union, or undertakes to hold the title for a period longer than ten years while a non-resident.

Without doubt, while inflicting no injustice upon any person whomsoever, this law will do as much to relieve the citizens of Texas of absentee landlordism as any law that could have well been adopted.

## LAND CORPORATIONS.

To carry out the Constitutional inhibition against perpetuities and monopolies, the last Legislature declared that the unrestricted ownership of lands in this State by private corporations is a perpetuity, and therefore prohibited. It simply winds up what are known as "land corporations" having in view the ownership of rural lands for agricultural, horticultural, or speculative purposes. It does not interfere with the right of corporations to acquire or own lands for the purpose of carrying on their legitimate business; and it gives to the then existing private corporations whose main purpose or business was the acquisition or ownership of lands, fifteen years from the date of the act within which to part in good faith with their titles. As in the case of aliens, those land corporations failing or refusing to sell their lands within fifteen years from the date of the law, are liable to have them sold under proceedings instituted by the State's attorney, and the money deposited subject to the corporation's order. Neither as to aliens nor corporations, was the purpose or effect of the law to confiscate property or to destroy vested rights. They are wise measures, adopted at a suitable time, for the purpose of protecting the titles of our soil from the domination and control of non-resident aliens and corporations. Experience will more fully attest their efficacy when the people realize the true condition of their neighbor States who have failed to adopt like measures.

## THE FIVE LAWS.

It is with much pride that these five measures are pointed to as the future safeguards of the people's rights and liberties. They prevent the confiscation of the people's property through the methods of excessive, discriminating transportation charges. They save posterity from the onerous burdens and confiscation through the method of fictitious railway bonds and stocks. They secure the people of to-day and of the future from extravagant municipal bonded indebtedness, which, unchecked, would lead to their bankruptcy. They guard for all time the citizens of the State in the enjoyment of the land for homes, without the threat of absentee landlordism or the danger of corporate monopoly. Above all, they sound in justice and obey the spirit of the Constitution.

## OTHER LAWS AND MEASURES.

Many other laws have been passed that directly or incidentally benefit the people. During the past four years a home for the maimed and helpless ex-Confederate soldiers has been established and maintained at the expense of the State, without resorting to taxation. Injured women have been permitted to testify against their seducers. The people of the several counties have been given the power, by local vote, to amply improve the public roads. Adverse possession of lands has been so defined as to prevent the owners from losing their titles on technical grounds. Fellow servants have been defined so that corporation employes are justly protected in their persons and lives from the negligence of other employes of the companies they serve. Unconscionable conditions in contracts, limiting the right of action, have been prevented. Railway de-

pots have been required to be kept comfortable, clean, and lighted for the accommodation of the public. Separate coaches on equal conditions for white and colored passengers are required to be kept by the railways to prevent threatened race troubles. The conventional rate of interest on money has been reduced from 12 to 10 per cent, and the legal rate from 8 to 6 per cent, thus saving the people several millions of dollars annually. Express companies have been placed under the charge, regulation, and control of the Railway Commission. Railway laborers have been protected against the frauds, extortions, and abuses of guarantee and fidelity insurance companies. The quarantine laws have been simplified and enforced so as to guard the public against epidemic and contagious diseases. The school laws have been reformed so as to increase the efficiency of the public free schools. The judiciary has been so changed and reorganized that cases, when they reach the higher courts, can be speedily disposed of at slight additional cost. The expenses of the Educational Department, the Agricultural and Mechanical College, and of the Medical Branch of the State University, heretofore paid out of the public free school and University funds, have been defrayed from the general revenue. The local option laws have been so remodeled that the disturbing question of prohibition has been comparatively settled and confined to limited districts. The bond debt of \$248,000 incurred over twenty years ago, has been paid.

The live stock industry has been promoted by the creation of a sanitary commission to prevent the spread of contagious and infectious diseases. The mechanics' lien law has been so amended as to better protect and secure laborers in their rights. Fraud in the execution sales of lands has been prevented by causing notices of such sales to be published in the newspapers. Cheap excursion rates throughout the State have been encouraged by the suppression of frauds among ticket scalpers. Franchise and other taxes have been levied upon corporations that have heretofore escaped the burdens of government. A law to protect voters in cities from intimidation and frauds, to the end that they may have an unrestricted, free ballot and a fair count, has been passed. The employment of armed forces and private detectives and other non-resident armed persons has been prohibited. The direct taxes, amounting to \$205,172, due by the Federal Government to the people, have been collected without agent's commissions. Judgments for recovery of 1,800,000 acres of land formerly illegally withheld from the State have been obtained. The construction of the Southwestern Asylum has been paid for. Public educational, charitable, and penal institutions have been erected and improved to the value of over \$700,000. And among many other things that may be pointed to as beneficial to the public, it is but just to state that the rate of taxation has been reduced 25 per cent, saving the people over \$1,305,000; and all the public institutions of the State have been operated efficiently, without scandal, at the lowest possible expense consistent with good order.

#### STATE FINANCES.

No better work can be performed by the Legislature than to remodel the whole financial system of the State. To call it a system is a misnomer. It lacks every substantial element of system. We have the calendar year

beginning January 1, the appropriations year beginning March 1, and the fiscal year beginning September 1, with no clear legislative direction as to how public accounts shall begin, end, or be kept for any period.

We have no auditor, and no consistent method of balances and checks by which abuses may be detected or prevented. Be it said to the honor and credit of the State, that up to this time the public servants have been honorable and faithful. Notwithstanding the very indifferent system alluded to, not the slightest suspicion has ever been cast upon the integrity or fidelity of a single State official, nor has there been reason for it. Aside from the safeguards guaranteed by good business methods, it would be of great advantage to the public to have the appropriations and fiscal years to begin and end alike, and to have a complete system of balances and checks provided for. Owing to the embarrassments alluded to, I have found much trouble in presenting to your honorable bodies a succinct, clear exhibit of the financial operations of the Government during my administration. Following, I submit for your consideration the financial transactions of the State for each of the past four years ending August 31, furnished by the Comptroller's very capable bookkeeper:

#### RECEIPTS.

The total net receipts each year from September 1, 1890, to August 31, 1894, of the State revenue fund:

##### *Year ending August 31, 1891.*

From taxes.....	\$2,120,493 17	
From office fees .....	85,194 10	
From miscellaneous .....	340,031 50—	\$2,545,718 77

##### *Year ending August 31, 1892.*

From taxes .....	\$1,967,928 61	
From office fees .....	45,667 32	
From miscellaneous ...	30,045 36—	\$2,043,641 29

##### *Year ending August 31, 1893.*

From taxes .....	\$1,968,857 11	
From office fees .....	65,543 34	
From miscellaneous .....	106,645 44—	\$2,141,045 89

##### *Year ending August 31, 1894.*

From taxes.....	\$1,882,641 64	
From office fees .....	62,796 80	
From miscellaneous .....	55,924 24—	\$2,001,362 68

Total receipts for the four years ..... \$8,731,768 63

##### *Summary for the Four Years.*

From taxes .....	\$7,939,920 53
From office fees of State departments .....	259,201 56
From United States Government, refunded.....	145,087 18
From penitentiaries, refunded.....	71,135 15
From miscellaneous .....	316,424 21

Total receipts for four years..... \$8,731,768 63



The difference in the receipts of the first year is due to the State tax being 20 cents and the amount received from the United States Government on the indemnity fund, the amount of penitentiary proceeds paid into the treasury, and an unusually large sale of public domain under the act of July 14, 1879. The tax rate for the second year was reduced to 16½ cents, and for the third and fourth years to 15 cents each year.

## DISBURSEMENTS.

The following are the total disbursements out of the State revenue fund for the four years named:

Year ending August 31, 1891.....	\$2,157,147 56
Year ending August 31, 1892.....	2,600,503 16
Year ending August 31, 1893.....	2,403,952 14
Year ending August 31, 1894.....	2,150,344 58
Registered warrants.....	435,000 00
Total amounts disbursed.....	<u>\$9,746,947 44</u>

The principal amounts disbursed were for the following purposes:

The judiciary department .....	\$3,319,589 50
The State asylums.....	1,971,682 42
The State executive departments.....	1,498,823 54
The legislative departments.....	327,480 34
Interest paid on State debt.....	971,895 49
State penitentiaries.....	232,937 45
State reformatory .....	98,853 34
Pensions .....	256,037 50
Quarantine department.....	210,000 77
Public printing.....	121,419 66
Bounty for the destruction of wild animals in the west.....	50,000 00
Outstanding State bonds redeemed.....	248,700 00
Relief of the Cisco cyclone sufferers.....	10,000 00
Also the following out of revenue:	
A. & M. College and Prairie View Normal .....	202,147 10
University and Medical Branch.....	158,129 97
Sam Houston Normal and Educational department .....	57,311 55
Miscellaneous .....	11,938 81
	<u>\$9,746,947 44</u>

Out of the above amounts the following will show the totals expended for permanent and public improvements and additions to buildings, etc.

Southwest Texas Insane Asylum:	
Purchase of site, construction, etc.....	\$137,157 79
Improvements and additions, etc.....	85,000 00
Lunatic Asylum at Austin:	
Improvements and repairs from fire, etc.....	75,000 00
North Texas Insane Asylum at Terrell:	
Improvements, additions, etc.....	74,000 00
Blind Asylum:	
Improvements, additions, etc.....	32,800 00
Deaf and Dumb Asylum:	
New buildings .....	30,000 00
Orphan Asylum at Corsicana:	
Artesian well, improvements, etc.....	14,000 00
Colored Deaf and Dumb Asylum:	
Improvements .....	5,700 00

State University:	
Buildings, improvements, etc.....	\$66,000 00
Equipment of Medical Branch, Galveston.....	30,000 00
Agricultural and Mechanical College:	
Buildings, improvements, etc.....	81,000 00
State penitentiaries:	
Improvements at Huntsville.....	10,000 00
Machinery and improvements at Rusk.....	31,000 00
Quarantine department:	
Improvements of stations, etc.....	35,000 00
State reformatory:	
Improvements .....	9,200 00
State capitol building:	
Machinery, repairs and improvements.....	19,000 00
Supreme Court:	
New law books and book cases.....	16,500 00
Civil Courts of Appeals:	
Furniture and books .....	6,000 00
Department Agriculture, Insurance, Statistics and History:	
Furniture and books for library.....	5,500 00
General Land Office:	
Repairs and improvements .....	4,500 00
Miscellaneous:	
Monument to heroes of the Alamo .....	14,555 00
Paintings and marble bust of Houston .....	5,000 00
Election booths under Australian law.....	4,000 00
The State bonds redeemed.....	248,700 00
Bounty paid for the destruction of wild animals.....	50,000 00
For relief of Cisco cyclone sufferers.....	10,000 00
Expenses in Greer county case .....	8,000 00
Codifying the laws.....	7,500 00
Publishing constitutional amendments .....	21,600 00
Refunded to purchasers of public domain under act of 1883.....	30,000 00
Expenses of presidential electors.....	1,280 80
	<hr/>
	\$1,167,993 59

In addition to the foregoing, there has been appropriated in the last four years, for purposes not before on the appropriation bills, the following amounts out of State revenue:

Support and maintenance Southwest Texas Insane Asylum.....	\$158,050
Support and maintenance Medical Branch.....	108,900
Support and maintenance Confederate Home.....	140,090
Railway Commission .....	168,900
Educational department, out of State revenue.....	41,220
Sam Houston Normal School, out of State revenue.....	80,500
Prairie View Normal School, out of State revenue.....	25,500
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Total .....	\$723,160

The item of Confederate Home appropriations has been paid out of office fees of the several departments, which otherwise would have been paid to the State revenue fund, and the amounts were, therefore, the same as paid out of that fund. The last Legislature made all the expenses of the Educational Department, and of the Sam Houston Normal, Prairie View Normal, and Medical Branch of the State University payable out of the State revenue. The total amounts of extraordinary expenses in building and improving public buildings, and other expenses paid out of revenue during the four years, amount to \$1,891,153.59.

## THE FIGURES ANALYZED.

Analyzed, the foregoing statement shows that the expenditures exceeded the receipts for the four years ended August 31, 1894, by \$1,015,-178.81. Deducting the balance of \$618,622.66, general revenue on hand August 31, 1890, and since then paid out, the deficiency left at the beginning of the present fiscal year, September 1, 1894, was \$435,000. This amount at that time was represented by registered treasury warrants.

Had not the extraordinary appropriations of \$1,891,153.59 for debt payments and for public buildings, improvements and their maintenance, as shown by the foregoing statement, been made by the Legislature, the receipts for the four years would have exceeded the expenses by \$875,-854.78.

It must be borne in mind also that while these extraordinary appropriations were being made the Legislature reduced the tax rate the first year from 20 cents to 16 $\frac{2}{3}$  cents, and each of the succeeding years to 15 cents on the \$100 valuation of property. This reduction of taxes for the four years aggregated \$1,305,000 net. Had not this reduction been made, the revenues on hand and collected during that period could have borne the expenses and left a balance in the treasury of \$870,000. This balance would have been amply sufficient to operate the government without any past or prospective deficiency. The fault, after all, lies in the ill-conceived and unnecessary reduction of taxes.

After presenting the condition of the Government for the four years ended August 31, 1894, I now present to your honorable bodies the following table, showing the financial status in aggregates, beginning on the day I qualified as Governor, on January 20, 1891, and ending last Friday, the 4th instant, the latest period convenient for this message:

To revenue balance on hand Jan. 20, 1891 ....	\$1,071,639 94	By amount of deficiency in appropriations for years previous to Jan. 20, 1891, provided for	\$162,166 26
To revenue receipts from Jan. 20, 1891, to Jan. 4, 1895.....	7,974,169 25	By expenditures in support of the State Government to Jan. 4, 1895, for the four years ....	8,842,476 11
		By balance on hand Jan. 4, 1895 .....	41,166 82
	\$9,045,809 19		\$9,045,809 19
To balance .....	41,166 82	Total warrants regist'ed to date ..\$1,274,629 74	
The balance is held to meet warrants called for payment, but not presented.		Registered warrants paid to date .... 586,960 64	
		Total registered warra'ts not provided for to date .....	\$687,669 10

The Comptroller estimates that there will be collected about \$1,380,000 more on 1894 taxes, occupations, ad valorem, and fees, and from all other sources.

These taxes now due are being paid rapidly into the Treasury. It will be seen, therefore, that this amount due will extinguish the registered warrants and leave a balance of \$692,303.90 for future expenses. This sum will be inadequate for the next appropriation year. Unless some extraordinary measures be taken a large deficiency must occur by next summer or fall.

Foreseeing this result, I admonished the last Legislature, by message, to resort to methods which I deemed amply sufficient to avoid it. Failing to get the relief asked for, I was compelled to veto items in the appropriations bill that amounted to over \$350,000, intended mostly for improvements of the public educational and charitable institutions. These improvements are yet demanded, but cannot be made from the public revenue in its present condition.

After all, the question is: How will the State re-supply the treasury so as to settle the deficiency, to defray current expenses, and to improve the several State institutions as may be demanded by public interests? That your honorable bodies may have sufficient information on which to base an intelligent idea of the expenses of the government in all its details, I submit herewith in tabulated form the financial operation of each and every department and institution for and during the four years ended November 1, 1894. Careful study of these tables will demonstrate the economy practiced throughout the administration, except in the costs of felony prosecutions. A discussion of this subject appears under a suitable head further on. So, turning to the question just asked, which the Legislature must settle, I respectfully beg to offer the following suggestions:

To meet the deficiency the Legislature must do one, and perhaps all, of three things in the order named: First, to enforce the collection of delinquent taxes; second, to increase the property valuations; and third, to raise the tax rate.

Should suitable measures be adopted to enforce the collection of delinquent taxes, now amounting to about three million dollars, and to compel the fair rendition of all taxable property to the the assessors on the lines hereinafter suggested, the necessity for increasing the tax rate may be temporarily avoided. Failing to do this at the present session, the tax rate must be raised immediately, and with this a prolonged deficiency cannot be escaped. The tax rate now is very low. Its increase cannot be well avoided a great while. Temporary expedients may be devised to delay the inevitable, but it must come;—the tax rate must be raised! The main difficulty is in providing a method by which the money may be had to resupply the treasury for the present and current purposes. The Constitution provides that no debt shall be created by or on behalf of the State to supply deficiencies in the revenue to exceed the aggregate at any one time of \$200,000. If this amount should be borrowed from the permanent school fund, in obedience to precedent, the relief would be quite inadequate. If the Legislature fails to pass laws to take effect immediately, by which the collection of back taxes may be promptly enforced, then there is no possible temporary relief, except to pass a bill that all warrants not paid within a given time from presentation at the Treasury shall bear a reasonable stated rate of interest until called in for payment by the State. This would keep the warrants at par, and place upon the tax payers the burdens they should legitimately bear. By the reduction

of the tax rate they have retained in their pockets over \$1,300,000 during a severe financial depression. To them the interest saved on this amount will much more than offset the interest that would accumulate on the registered warrants until they are paid.

## TABULATED STATISTICS.

Under proper heads, in tabulated form, your attention is hereby called to the several departments and to the charitable, educational, and penal institutions, showing respectively their operation and condition for each of the past four years, as follows:

*Statistics in Relation to the Several Departments.*

## EXECUTIVE OFFICE.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$37,464 88	.....	\$26,084 98	3
1892 .....	26,005 00	*\$180,886 72	18,229 98	3
1893 .....	37,520 00	.....	22,690 72	3
1894 .....	36,770 00	*24,285 83	14,147 95	3

\*Direct tax received from the Federal Government.

The expenses include repairs, etc., on executive mansion and grounds, and \$15,000 each year for rewards and enforcement of the laws. The appropriations for 1891, 1893, 1894 include \$10,000 each for fees of counsel in the Greer county case.

## OFFICE OF SECRETARY OF STATE.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	*\$29,828 87	\$70,341 56	\$29,572 72	6
1892 .....	9,560 00	45,977 60	8,738 50	5
1893 .....	11,320 00	49,091 71	10,277 61	7
1894 .....	11,020 00	47,555 20	5,455 72	6

\*\$20,000 appropriated for publishing constitutional amendments.

## TREASURER'S OFFICE.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	*\$41,150 00	\$1,680,909 66	\$37,455 77	17
1892 .....	26,150 00	1,188,671 72	25,808 45	17
1893 .....	*41,050 00	1,135,246 72	33,973 84	17
1894 .....	26,050 00	684,690 63	11,729 84	16

\*\$15,000 of the appropriations for 1891 and 1893 was for refunding amounts improperly paid on lands.

## COMPTROLLER'S OFFICE.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$59,320 00	\$314,337 05	\$57,705 71	41
1892 .....	58,820 00	284,400 58	58,703 91	41
1893 .....	65,720 00	262,977 63	62,247 71	46
1894 .....	65,720 00	214,237 50	32,692 35	46

## GENERAL LAND OFFICE.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$113,650 00	\$21,980 81	\$60,908 41	58
1892 .....	61,650 00	13,283 10	64,288 68	59
1893 .....	81,980 00	13,668 55	61,014 92	57
1894 .....	81,980 00	11,420 30	29,988 78	57

The appropriation for 1891 includes \$50,000 for the school land department for the two years 1891-1892.

## ATTORNEY GENERAL'S OFFICE.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$15,360 00	\$500 00	\$14,425 17	6
1892 .....	14,945 00	426 50	13,957 65	6
1893 .....	15,720 00	489 84	14,642 38	6
1894 .....	15,720 00	310 00	8,221 25	6

The receipts represent misdemeanor fees deposited in treasury.

## ADJUTANT GENERAL'S OFFICE.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$59,710 00	\$1,577 74	\$60,728 46	3
1892 .....	59,710 00	204 00	58,790 67	3
1893 .....	68,510 00	332 48	66,840 41	3
1894 .....	68,010 00	176 88	32,997 25	3

## DEPARTMENT OF AGRICULTURE, INSURANCE, STATISTICS AND HISTORY.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	*\$59,470 00	\$14,034 70	\$58,408 95	11
1892 .....	*53,770 00	15,269 05	53,994 87	11
1893 .....	*33,540 00	12,979 70	33,448 09	11
1894 .....	†13,110 00	11,578 30	6,543 57	6

\*Includes Geological Bureau.

†Geological Bureau discontinued.

## RAILWAY COMMISSION.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$68,110 00	.....	\$22,793 88	5
1892 .....	17,600 00	.....	18,827 75	6
1893 .....	39,600 00	.....	30,830 88	10
1894 .....	39,600 00	.....	16,907 44	10

## PUBLIC BUILDINGS AND GROUNDS.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$26,554 00	\$912 39	\$24,402 58	15
1892 .....	21,454 00	1,932 48	25,048 04	15
1893 .....	35,490 00	4,466 15	33,444 66	15
1894 .....	22,194 00	2,381 15	12,721 87	15

## OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION.

	Appropriations.	Receipts.	Expenditures.	No. employees.
1891 .....	\$10,600 00	.....	\$14,825 48	6
1892 .....	10,600 00	\$480 00	18,468 45	6
1893 .....	20,610 00	.....	17,482 49	8
1894 .....	20,610 00	.....	19,816 58	8

The appropriations for 1893 and 1894 include the expense of printing and distributing blank forms and blank books to the counties, which was before paid out of the school fund, not included in appropriation.

## QUARANTINE.

Number of stations in operation during whole year.....	5
Number stations in operation during an emergency only.....	4
Total appropriation for the four years 1891-1895 .....	\$215,000
Expended for buildings, repairs, equipments, and for disinfecting apparatus .....	35,000
Cost of administration for four years.....	\$180,000
Annual average expense .....	45,000

## STATE UNIVERSITY.

Session.	Number students.	Appropriations.	Improvements.	Receipts.	Expenditures.	Per capita cost.
1891-2.....	363	\$50,000 00	\$21,898 58	\$6,353 54	\$85,305 58	\$174 70
1892-3.....	328	10,000 00	33,404 82	6,340 00	100,546 42	204 70
1893-4.....	356	23,500 00	12,931 34	7,735 57	79,910 35	188 14
1894-5*.....	405	7,500 00				

\* Session not completed.

Value of grounds, buildings and equipments, \$400,000.

The expenditures embrace the special appropriations and the funds derived from the endowment.

## MEDICAL BRANCH STATE UNIVERSITY.

Session.	Number students.	Appropriations.	Improvements.	Receipts.	Expenditures.	Per capita cost.
1891-2.....	23	\$52,000 00	\$4,042 76	\$2,520 00	\$30,284 30	\$1316 70
1892-3.....	25	22,000 00	28,056 94	2,790 00	27,160 97	1086 44
1893-4.....	127	33,700 00	4,499 94	6,400 00	39,585 41	319 51
1894-5*.....	179	31,200 00	3,560 42	5,840 00		

\* Session not completed.

## SAM HOUSTON NORMAL INSTITUTE.

Year.	No. Pupils.	Amounts appropriated.	Improvements made.	Receipts.	Expenditures.	Per capita cost.
1891-2.....	386	\$22,000	\$2,000 00	\$16,464 40	\$33,073 00	\$85 68
1892-3.....	408	22,000	2,000 00	17,192 89	41,589 00	101 91
1893-4.....	525	40,000	5,000 00	14,735 00	*58,735 25	*112 00
1894-5.....	501	40,500	3,000 00	.....	.....	.....

Value of property, \$100,000. \* Estimated.



## AGRICULTURAL AND MECHANICAL COLLEGE.

Session.	No. Students.	Amounts appropriated.	Improvements made.	Receipts.	Expenditures.	Per capita cost.
1891-2.....	331	\$66,100	\$46,100	\$41,293 00	\$87,393 67	\$124 45
1892-3.....	293	20,000	.....	46,662 87	46,662 87	159 00
1893-4.....	313	60,117	30,117	46,579 08	76,696 99	148 81
1894-5.....	345	25,000	.....	10,979 12	*10,979 00	(*)

Value of property, \$401,565.

\* Term incomplete.

## PRAIRIE VIEW NORMAL SCHOOL.

Year.	No. Students.	Amounts appropriated.	Improvements made.	Receipts.	Expenditures.	Per capita cost.
1891-2.....	185	\$37,500	.....	\$15,281 65	*\$22,500 35	\$121 62
1892-3.....	180	12,500	.....	15,133 66	*22,500 35	125 00
1893-4.....	240	26,950	.....	17,300 01	*21,500 35	93 75
1894-5.....	175	12,750	.....	*17,300 00	*22,500 35	128 50

\* Estimated, for the reason that the bookkeeping and accounts in connection with the institution are in such condition that no accurate information could be obtained.

Value of property, \$117,900.

## INSTITUTE FOR THE BLIND.

Year.	Inmates Nov. 1.	Amounts appropriated.	Improvements made.	Receipts.	Expenditures.	Per capita cost.
1891.....	164	\$39,610	.....	\$1,715	\$39,444	\$240 50
1892.....	173	64,430	\$15,000	1,246	63,837	282 29
1893.....	171	42,930	600	1,660	42,767	250 00
1894.....	161	51,570	.....	1,681	50,518	313 77

Value of property, \$125,000.

## DEAF AND DUMB ASYLUM, AUSTIN.

Year.	Inmates Nov. 1.	Amounts appropriated.	Improvements made.	Receipts.	Expenditures.	Per capita cost.
1891.....	187	\$75,816	\$28,556	\$673	\$64,857	\$194 12
1892.....	207	47,876	2,953	538	40,952	183 57
1893.....	224	49,320	2,193	461	40,956	173 05
1894.....	227	51,320	1,752	341	40,409	170 25

Value of property, \$220,000.

## STATE ORPHAN ASYLUM, CORSICANA.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Improve- ments made.	Receipts.	Expendi- tures.	Per capita cost.
1891.....	115	\$24,085	\$5,020	\$723	\$16,879	\$146 77
1892.....	171	18,144	7,880	4,831	17,974	105 11
1893.....	215	25,135	13,366	8,245	19,794	92 06
1894.....	277	19,510	5,909	7,033	20,634	74 49

Value of property, \$67,000.

## NEGRO DEAF AND DUMB ASYLUM, AUSTIN.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Improve- ments made.	Receipts.	Expendi- tures.	Per capita cost.
1891.....	76	\$19,736	\$3,636	\$54	\$19,736	\$211 90
1892.....	86	16,200	100	.....	15,594	180 00
1893.....	95	19,045	100	.....	18,037	188 70
1894.....	97	17,770	100	.....	17,570	180 10

Value of property, \$31,300.

## CONFEDERATE HOME.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Improve- ments made.	Expendi- tures.	Per capita cost.
1891 .....	69	\$32,500	\$17,065	\$29,965	\$186 90
1892 .....	81	32,500	15,915	31,975	199 30
1893 .....	110	37,545	7,348	25,484	164 80
1894 .....	131	37,545	347	*13,135	.....

Value of property, \$62,130. \* Year not complete.

## STATE LUNATIC ASYLUM AT AUSTIN.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Improve- ments made.	Receipts.	Expendi- tures.	Per capita cost.
1891.....	629	\$141,023	\$13,414	\$3,079	\$130,326	\$185 86
1892.....	612	112,630	2,668	2,075	114,685	183 00
1893.....	654	165,221	46,212	1,555	167,432	185 30
1894.....	675	135,285	16,540	1,519	135,519	176 20

Value of property, \$441,000.

## NORTH TEXAS LUNATIC ASYLUM.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Value of Im- provements.	Receipts.	Expendi- tures.	Per capita cost.
1891.....	606	\$160,408	\$5,938 70	\$2,973	\$112,137	\$175 34
1892.....	729	138,890	5,995 48	2,702	123,956	161 81
1893.....	781	161,360	8,750 00	1,545	135,636	162 47
1894.....	813	148,110	13,627 00	2,008	150,909	168 85

Value of property, \$467,303.

## SOUTHWESTERN LUNATIC ASYLUM, SAN ANTONIO.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Value of Im- provements.	Receipts.	Expendi- tures.	Per capita cost.
1892.....	142	\$44,005	\$10,728	\$1,245	\$36,350	(*)
1893.....	234	63,540	6,547	2,197	51,587	\$192 47
1894.....	294	54,790	7,431	4,574	56,490	166 80

Value of property, \$266,136. \* Fraction of year.

## HOUSE OF CORRECTION AND REFORMATORY.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Improve- ments made.	Receipts.	Expendi- tures.	Per capita cost.
1891.....	126	\$22,774	.....	\$7,565	\$26,102	\$207 15
1892.....	187	19,510	5,655	5,439	22,849	91 94
1893.....	218	33,150	.....	3,637	34,025	156 07
1894.....	257	33,050	2,665	4,374	25,416	88 52

Value of property. \$71,000.

## STATE PENITENTIARIES.

Year.	Inmates Nov. 1.	Amounts ap- propriated.	Improve- ments made.	Receipts.	Expendi- tures.	Per capita cost.
1891.....	3345	\$64,687	\$184,277	\$1,375,023	\$1,288,608	\$165 65
1892.....						165 65
1893.....	3891	88,000	150,668	1,333,490	1,394,860	159 86
1894.....						159 86

Value of property:  
Huntsville Penitentiary, Wynn farm, and wood camp ..... \$932,478  
Rusk Penitentiary ..... 964,541  
Harlem farm ..... 252,780  
Total ..... \$2,149,800

## VOLUNTEER GUARD.

Number of infantry regiments.	Number of cavalry regiments.	Number of battalions of artillery.	Colored troops, battalions.	Number of companies.	Number of commissioned officers.	Number of enlisted men.
6	1	1	1	61	292	3,122

Donated by citizens of Austin, 91 acres of land, fully equipped for camps of instruction, valued at \$35,000. The only expense to the State for this property was \$3500 to provide permanent water supply.

## RANGER FORCE.

Number of companies.	Number of commissioned officers.	Number of enlisted men.	Number of criminals arrested.	Number times aided civil authorities.	Number of miles travelled.
4	4	56	1592	610	236,130

This embraces the work of the four years 1891-4.

NOTE.—The receipts shown in all these tables are for the fiscal year, from September to September. The appropriations and expenditures are for the appropriation year, from March to March. The expenditures for the year 1894 are to August 31, 1894.

## GOOD SHOWING.

It will be noted that with one exception the per capita expense of the inmates of the several charitable institutions named has been annually decreased during the four years. This has been done without harm or injury to the subjects, at the end of faithful, capable, untiring efforts upon the line of economy by the very worthy superintendents and officials in charge.

## THE LUNATICS.

Reliable official information shows that of over 1500 lunatics in the asylums, there are less than 300 who can be cured or restored to mental soundness. In other words there are now about four-fifths of all the inmates of those institutions that are incurable. A large per cent of them are imbeciles, but strong and harmless, fully capable of performing valuable manual labor if the State possessed suitable quantities and qualities of agricultural lands about the asylums for the purpose. According to the opinion of the superintendents of such institutions, open air exercise and manual labor upon farms by those physically able to perform the work is not only useful, but proper and necessary.

It would seem that the concentration of these harmless, incurable charges at some point within the State, suitable for the purpose, to make room in the various asylums for the curable cases demanding admission, would be much better than to incur the expense of extending the already commodious buildings. A cheap, good piece of agricultural land, with comfortable but not costly houses, where these unfortunates could be cared for and utilized so as to defray their own expenses, without the

harm that would result from their absolute freedom, would be a practical solution of the question. At all events, the space within the asylums, in some way, should be occupied by that class of patients who are curable or require restraint.

#### OTHER CHARITABLE INSTITUTIONS.

The Blind Asylum, the Deaf and Dumb Institute, the asylum for the deaf and dumb and blind of the colored race, all at Austin; the Orphans Home, at Corsicana, are each and all model institutions, clean, well kept, and ably and efficiently operated. This may be said also of the three lunatic asylums. These charitable institutions are objects of pride to every patriotic citizen, and should never suffer for lack of moral, sympathetic, or financial support.

#### THE PENITENTIARIES.

An inspection of the penitentiary statistics, shown in the table, will disclose some very interesting results. On November 1st last, there were 3891 convicts in penal servitude. Up to that time for the preceding four years there were appropriated \$152,687.65. During that period valuable permanent improvements, consisting of a foundry, machine shops, work houses, two railroads about twelve miles long, all amounted in the aggregate, at a reasonable valuation, to \$334,945; leaving the improvements alone, over and above appropriations, \$182,257.35. The receipts of the penitentiary from all sources in the four years aggregated \$2,728,513, while the expenses amounted to \$2,683,468; or receipts over expenses during that period, \$45,045. The sum of about \$150,000 will be realized for the remaining unsold crop, which will go into the State Treasury. This amount added to the \$45,000 of receipts over expenses, and the \$182,000 of valuable improvements over appropriations, leaves the net amount of \$375,000 as a result of the four years operation of the penitentiary over and above the expenses connected with its management. The very efficient Penitentiary Board, the able superintendent and assistants, and the superior financial agent, together with the excellent under-keepers and employes, have bent every energy, and applied their skill and abilities successfully, not only to financial results of the institutions, but to the reform of the unfortunate inmates as well. The penitentiary is no longer an expense to the government, and the convicts are humanely treated, and clothed and fed well. The results are very gratifying in all respects.

#### THE REFORMATORY.

This useful institution is crowded, and is the subject of much abuse under the present law. Full grown men are often sent to it on pleas of guilty. To correct this evil it would be well to reduce the official fees in cases of reformatory convictions to about one-half allowed in felony cases.

## PER CAPITA EXPENSE.

A careful analysis of the condition of the various institutions for the management and operation of which the Governor may be properly chargeable, will demonstrate that their material, moral, and financial conditions have in no respect retrograded during the past four years. They have all been substantially improved. They have each been, in a marked degree, elevated morally; while the per capita cost of maintenance has been gradually but considerably reduced. Within the institutions contentment, harmony, good discipline, and kind treatment of the inmates and employes have prevailed to a notable degree.

It will be seen that from the general revenue the annual average of 3618 convicts and of 2460 charitable subjects have been maintained at the net cost, in the aggregate, during the period of the past four years, of \$1,663,876, or a yearly per capita average of \$68.43.

## HEAVY EXPENSES—OFFICIAL FEES.

It will be observed therefore that the heavy draft upon the general revenue is from other sources than the penal and charitable institutions. The heaviest expense to the State arises from criminal prosecutions, consisting of the fees of sheriffs, clerks, witnesses, and prosecuting officers. The Governor has no control whatever over these matters. They are prescribed and regulated by law. The laws in relation to them are either lax or too liberal. At any rate, the public treasury is the subject of too much abuse from these sources. To demonstrate this statement, your attention is called to the following table, showing the appropriations for witness fees, and for the fees of sheriffs, clerks, and attorneys in criminal cases for and during the period of the past ten years:

Time for which appropriation was made.	For witness fees.	For fees of sheriffs, clerks and attorneys.
From March 1, 1883, to February 28, 1885.....	\$40,240	\$575,000
From March 1, 1885, to February 28, 1887.....	175,584	724,697
From March 1, 1887, to February 28, 1889.....	237,851	999,635
From March 1, 1889, to February 28, 1891.....	202,458	700,000
From March 1, 1891, to February 28, 1893.....	225,598	823,827
From March 1, 1893, to February 28, 1895.....	250,000	850,000

By the foregoing it will be seen that the appropriation for witness fees for the two years ending with 1885 amounted to only \$40,240, and the fees for the same period of sheriffs, clerks, and prosecuting attorneys aggregated \$575,000; while ten years later, for the two years ending February 28, 1895, the appropriations for witness fees aggregated \$250,000, and the fees of sheriffs, clerks, and attorneys \$850,000. Ten years ago it cost the State for the period of two years to prosecute the criminals the aggregate sum of \$615,240; whereas, for the past two years the appropriations for said purposes aggregated \$1,110,000. This means an increase during that time of nearly 100 per cent.

There is something wrong in this, and it is with the Legislature alone to remedy it. The Governor and other State officials are practically helpless, for they can do no more nor less than obey the law, for that is their solemn obligation under the Constitution.

To demonstrate more clearly that there is much abuse in the fee system growing out of criminal prosecutions, your attention is called to the following table of criminal statistics, showing the number of indictments, the number of trials, the number of convictions, the number of acquittals, the number of indictments quashed, the number of cases dismissed, exhibited by the dockets of the district courts of the State during the ten years ending with 1893, the latest date for which complete tables are accessible:

CRIMINAL CASES.

Years.	Number indictments.	No. trials.	No. convictions.	No. acquittals.	No. quashed.	No. dismissed.
1881-1882.....	9,378	4569	2118	2244	228	3095
1883-1884.....	8,487	4164	1982	1772	299	3243
1885-1886.....	11,268	5446	3086	2189	320	4818
1887-1888.....	11,348	5414	3196	2070	273	4320
1889-1890.....	10,329	5265	2996	1916	216	4947
1891-1892.....	10,667	5039	3227	1602	227	4613

By this table it appears that for the two years ending with 1882 there were 9378 indictments for felonies filed; while for the two years ending with 1892 there were 10,667 indictments presented, showing an increase in that period of ten years of only 1289 cases. For the two years ending with 1882 there were 4569 felony trials, while the trials for the two years ending with 1892 amounted to 5039; or a difference of only 470 felony trials for those two years over a corresponding period ten years before.

It will be noted, therefore, that while the per cent of trials of felonies has increased at the rate of only about 1 per cent per annum, the expenses of the government for these prosecutions have increased at the rate of nearly 10 per cent per annum. The disparity shown by this per cent of expense over the per cent of increase in criminal prosecutions presents, without question, a glaring wrong. The question is, What shall be done about it? The only sensible answer is to apply the pruning knife of reform. An initial step on this line should be a legislative measure that will in some way destroy and forever prohibit official trusts or pools. The custom of county officials having annual conventions is a growing menace to the public treasury. Sheriffs, district and county clerks; county and district attorneys, county judges, county assessors and collectors, and even constables and surveyors, have of late years begun compact organizations that are no more nor less than official combinations or trusts that have in aim and view the increase of official fees. These associations are growing so strong that their demands are almost irresistible by the representatives of the people. The Legislature should take some action, aimed directly at their destruction. These "conventions of officers" appoint what they call "legislative committees," charged with the duty of going to the capitol and lobbying

around the Legislature. Sifted to the bottom, with the truth exposed, there can be no denial of the fact that the leading intention of such committees is to promote or increase official fee bills. It is a notable fact that from the beginning of these official annual associations, the expenses of the government for the prosecution of criminals have alarmingly increased. In some instances in this State it is well known that a single county official receives fees and salaries in the aggregate far in excess of the three supreme judges, or more than the Governor, the Attorney-General, and Treasurer all put together. Many others receive more than any district or supreme judge or any State officer. There are plenty of men in the service of counties, that, before election, could be employed at from \$50 to \$75 per month in private pursuits, but who, on going into office, receive fees and salaries from \$3000 to \$12,000 a year.

It would be a good plan for the Legislature to limit the aggregate fees and salaries of the county officials upon a graduated scale in proportion to population and service, so that they may be properly paid, while the spirit of extravagance, encouraged and nurtured by wealth-producing offices, shall be checked and prevented.

It will be seen also that witness fees are annually increasing to an astonishing extent. To check this it would be well either to return to the old law, or to require such fees in attached cases to be paid in whole or in part by the counties in which the trials are had. The tax-payers must foot the bills anyway, and it will be materially to their interest for the county commissioners court to be compelled to inspect, audit, and pay such fee bills where public interests demand that they shall be paid at all. It is a common thing now for a sheriff or deputy to attach and "carry" wealthy men hundreds of miles across the State to court at the State's expense. This useless practice should be checked, and also the law should provide that no officer shall be paid any fees or costs by the State until the final disposition of the case. To disguise the truth, or deal with this subject mildly or indifferently, is but to encourage abuses fraught with much danger to the public treasury.

#### THE PUBLIC FREE SCHOOLS.

The following table shows for each of the preceding four years the scholastic population, the annual apportionment made by the State Board of Education, and the per capita division thereof:

	Scholastic Population.	State Apportionment.	Per capita apportioned
1891-92.....	583,835	\$2,627,257	\$4.50
1892-93.....	605,495	2,904,342	5.00
1893-94.....	630,303	2,245,504	4.50
1894-95.....	693,752	2,428,132	3.50

From the foregoing it will be seen that while the aggregate school fund from all sources in 1894-95 was about two hundred thousand dollars less than for the years 1891-92, the scholastic population increased about one hundred thousand during that time.



The constitutional mandate that the Legislature shall raise sufficient revenue to maintain and support the public free schools of this State for a period of not less than six months of each year, has never been complied with, and it can not and never will be obeyed without increased taxation. The revenue has not been increased. The scholastic population has. This is the trouble.

The available means derived from the permanent school fund, consisting of the public free school lands, the land notes and bonds, added to the constitutional appropriation of one per cent of the permanent fund, fall far short of maintaining the schools up to the standard required by the Constitution. In my first message to the Legislature, four years ago, these questions were fully discussed, and advice was therein given to increase taxation for their support. The following quotation from that message on the subject is given for the purpose of reiterating the sentiments it contains:

“The misleading opinion, that the State will educate the children at its own expense, to some extent seems to prevail. This may sound well and appear as plausible; but the pertinent question is, How will the State get the money with which to do this? The only answer is, From the people! The people compose the State. It exists by their consent, for their convenience, to promote their happiness. Without money it can not exist, and that must be raised by some method of taxation. A partial and qualified exception to this rule applies to the public free schools. For their support, the people—the State—once owned a vast domain. At first it seemed to be the general expectation that all the expenses of the schools could be defrayed out of it without resort to taxation. No longer does such an opinion prevail among those who are informed on the subject; and there is no hope of such a mistake ever again being excusable. The proposition, narrowed down to the line of candor, is, that if the people ever expect to have an efficient system of free schools, they must prepare to pay for it. Resort to sophistries and subterfuges may disguise the truth, but its essence and effect will nevertheless remain. Unmask the facts, deal candidly, and let the truth be known. If the people revolt at the situation, they alone have the power to change it.”

I advocated an increase of taxes for this purpose then, and again discharge my constitutional obligation in this respect by repeating the self-evident proposition, that the mandate of the highest law known to the public servant can not be complied with as to public schools without an increase of the tax rate in proportion to the increase of scholastic population. To efficiently maintain them, the Legislature must raise the revenue. There is little use of attempting to dodge the question any further.

As the population increases, the revenues remain comparatively unchanged. As a consequence, the per capita apportioned by the State Board of Education necessarily must be decreased annually. The present administration has not been able nor willing to check the increase of scholastic population, no more than it has been able to increase the revenues without legislative action.

Two years ago, in order to give all the relief possible to the public free schools, the expenses of the Educational Department, of the Agricultural and Mechanical College, and of the Medical Branch of the University, previously paid out of that fund and from the University revenues, were

taken from the general revenue, which, to a considerable extent accounts for its present inadequacy to meet the current governmental expenses. A discussion of the untold benefits of the efficient maintenance of the public free schools would seem to be superfluous here. This, now, is not the question. Repeated, the proposition is this: Will the Legislature obey the plain mandate of the Constitution, or will it follow the example of its predecessors in failing or omitting to do so? There will be added to the public schools over a hundred thousand children in the next two years. It requires no stretch or strain of the imagination to see the inability of present revenues to supply their demands. The schools must become a failure or taxation to support them must be increased.

#### THE UNIVERSITY.

As the cap-stone of the fine educational system of the State, the University commands the admiration and affectionate regard of every patriotic citizen who understands its merits. The main university building is located on an eminence of forty acres of enclosed, shaded grounds, in the city of Austin, and was erected at a cost of \$146,000. It is a commodious, strong, neat, and well ventilated structure. Its laboratories, heating apparatus, assembly hall, class rooms, literary, and other conveniences are attractive, useful, and of a high order. The chemical laboratory alone cost \$25,000, and the apparatus of the physical laboratory cost \$15,000, while the geological and biological laboratories have been prepared with great skill and foresight at proportionate cost. The faculty consists of upright, moral, intellectual men of superior attainments, in the vigor of manhood, and of rank in university circles equal to those of much older institutions of the South and North. The attendance for the present year aggregates 420 young ladies and gentlemen, whose reputation for intelligence, close application, honorable demeanor, ambition, and pride is a subject of favorable comment generally, which establishes for the institution a character far above most universities, and justly guarantees to it the liberal support of the people. According to their own selection and choice, these students are taught in the literary and scientific departments, and in the law department, by twenty-five officers of instruction, the studies of English Literature; Philosophy and Political Science; History; Greek Language and Literature; Latin Language and Literature; Teutonic and Romanic Languages; English Philology; Pure Mathematics; Applied Mathematics; Physics; Chemistry; Geology, and Pedagogy.

Accessible to and for use by them in the pursuit of higher education on the lines indicated, are the fine laboratories and a well selected library of 13,000 volumes. Surrounding the institution on all sides are the elegant homes of refined families, where the students are admitted virtually as members, and are given paternal care.

Within the grounds is a commodious mess hall, where the young men board at light expense. This is the donation made by Mr. George W. Brackenridge, of San Antonio, and is a monument to his patriotism, to his pride, to his philanthropy, and to his fine sense. By this act he has placed finished educations within the grasp of the young men of this State at the lowest possible expense. That they avail themselves of the advantage, and appreciate it, can best be understood by witnessing the

large crowd of fine young gentlemen who swarm in and around it daily. It seems to be, with them, a hallowed spot, where gratitude and pride—the best elements of manhood—hold sway to the honor of themselves, of their benefactor, and of the University.

In this connection it is also proper to acknowledge with gratitude the receipt of the only other individual donation made to the University, consisting of 3476 coins and 1846 medals of bronze, silver, and gold, presented by an old Texian, Mr. S. M. Swenson, now of New York. When a youth he came to Texas, in poverty, from his native home, Sweden. After years of honest toil, manly frugality, and sagacious investment, Mr. Swenson amassed a great fortune and moved to his present abode. His contribution to the University is lasting and very valuable, and as a consequence his memory will be revered during the life of the institution by all who may patronize or be connected with it.

This great institution does not possess sufficient revenues to efficiently maintain it. The State bonds owned by it, amounting to \$576,540, bear \$31,728.60 annual interest, which, together with interest on land notes, \$2,624.06, and lease of its lands, \$8,689.20, constitute its available revenue, on which it must depend for support, except when aided by the Legislature. Aside from the fifty leagues of land set apart to it by the Republic of Texas, the Constitution of 1875 appropriated 1,000,000 acres, and the Legislature of 1883 appropriated to it another 1,000,000 acres of the public domain. But little, if any, of this land is fit for agriculture, and, as a consequence, yields a light, inadequate income. If it were leased at three or four cents an acre, it would go far towards making the University independent. It has never been leased to much advantage. While the Commissioner of the General Land Office has been faithful in looking after this trust estate, it has been practically impossible for him to satisfy the Regents of the University with the results. They believe it can be managed to better account through their direct instrumentality. It would be well to let them have the absolute control of its rental and lease, under such legislative restrictions as may be appropriate. At all events, this great institution of learning, now fast reaching the hearts of the rich and poor alike, should receive that legislative encouragement and support commensurate with its inestimable importance in the educational fabric of our State.

#### AGRICULTURAL AND MECHANICAL COLLEGE.

As a branch of the University, the Agricultural and Mechanical College is in every way creditable. Its able president and superior faculty manifest consummate skill in its operation, and the graduates from it readily take rank among the foremost citizens. As a charge upon the public, this splendid institution is worthy of every favorable legislative consideration that can be shown it.

#### THE OTHER EDUCATIONAL INSTITUTIONS.

The rapid development of the Sam Houston Normal Institute, the Medical Branch of the University, and the Prairie View Normal School has attracted widespread attention. Each of them is ably, efficiently conducted and managed, and commend themselves strongly to liberal legislative aid and encouragement.

## TAX COLLECTIONS.

Great losses to the State are clearly apparent by an inspection of the tax laws. They consist, first, of the inadequacy of the laws in relation to the valuation of property; second, of defects in them wherein the forced collection of ad valorem taxes is practically a failure; third, in the inability of the tax collectors, under the present system, to enforce payment of the per capita or poll tax; fourth, in the lack of remedial writs to compel the payment of occupation taxes; fifth, the unusually excessive expenses incurred in tax collections.

## ASSESSMENT OF TAXES.

The Constitution requires that the Legislature shall provide for equalizing, as near as may be, the valuation of all property subject to be rendered for taxation; and may provide for the classification of all lands as to value, in the several counties.

It is a fundamental axiom in political science, and a constitutional demand as well, that taxation shall be equal and uniform. This can be done only by levying taxes upon property in proportion to its value, which the Constitution declares shall be ascertained by the Legislature. The census of the United States for 1890 shows that the taxable values of real and personal property in Texas aggregated \$2,105,576,766; that the real estate, with the improvements thereon, amounted to \$1,220,417,771. For the same year the aggregate taxable values of the State, according to the assessors' rolls filed in the Comptroller's office, amounted to \$782,111,883; showing that, for taxation, the property in this State for that year lacked \$1,323,464,883 of reaching its fair value. Four years later, that is, for last year, the assessed valuation of all property in the State, according to the Comptroller's records, amounted to \$865,120,989, or to \$1,240,455,777 less than the true valuation of the same property, according to the United States census of 1890. There is a radical wrong somewhere presented in its crude form by reference to this disparity in values. Legislative research may expose and correct it.

As a remedy, tending to correct the evil, it is hereby respectfully suggested that property assessments should be levelled up to something like fair valuations. To this end you are respectfully advised to pass a law that will have a tendency to control the assessor in fixing the valuation of property:

1. By providing that for assessment purposes it shall be prima facie evidence that all land is worth at least two dollars per acre.

2. That it shall be prima facie evidence to the assessor that all property is worth at least the amount for which it is mortgaged or for which it is insured.

3. That the county assessor shall adopt the city assessment, or at least not accept urban property at a less valuation than that for which it has been assessed for municipal purposes.

By making it prima facie evidence to the assessor that property is worth the amount indicated by these suggestions, the burden of proof will be thrown upon the owner, if any wrong thereby is done him, to show that the assessment is excessive. He can appear before the Board

of Equalizers and prove that the land is worth less than \$2 per acre; or that he has mortgaged or insured his property for more than it is worth.

If you will investigate the question, you will find that property in this State is assessed on an average at much less than the amount for which it has been mortgaged or insured. The adoption of the rules herein suggested will raise the standard of values at least to the mortgage or insurance price, and this will tend to level up the value of other property of a like character contiguous to or in the vicinity of it.

4. Require the occupant in lawful possession of the property to render for taxation the value of all unrendered notes or bonds secured by lien on it. If he is the debtor, authorize him to pay the taxes due under the rendition, and give him by law the right of offset to the full amount so paid against the outstanding obligation. Should he not be the debtor, then make the taxes a claim superior to the debt in favor of the State and county or of any one who pays them.

5. Repeal so much of article 4684 of the Revised Statutes as exempts United States Treasury notes from assessment for taxation. Under the recent law of Congress, all money is now subject to be rendered and taxed as other property.

Reasonable estimates show that by adopting these or similar measures the property values of the State will be increased several hundred millions of dollars without detriment to public interests; and then the aggregate value of the property must remain quite or nearly a billion dollars less than its true value, according to the last census reports.

#### AD VALOREM TAX COLLECTIONS.

The report of the Financial Agent shows that the delinquent taxes due upon property alone amount to nearly a million dollars, which, under the Constitution, are secured by liens upon real estate. Should the Legislature, at the present session, adopt a safe, strong law, aimed at the collection of these back taxes, a lack of funds would probably not be so apparent. This is the first thing, really, that should be done by your honorable bodies — pass a law that will force delinquents to pay their taxes! Pass it under the emergency clause, and let it take effect at once. Delinquents will then begin to pay in money to save their property. To this end it is respectfully suggested that you adopt a measure embodying the following points:

1. Require the collector of each county, immediately on the passage of the law, to make out an account against each property-owning delinquent for all the back taxes he is due the county and State, and to officially certify to it and place it in the hands of the county attorney for collection. For this service allow him a fixed fee, to be taxed up against the delinquent.

2. Make it the duty of the county attorney, on receipt of this account, to notify the delinquent by registered or special delivery letter of the amount of the tax due by him, with a statement as shall be required by law that if the tax and costs are not paid in full in twenty days from the date of mailing the letter, suit will be instituted to enforce the collection through the court having jurisdiction of the case.

3. Require the county attorney, on failure of payment at the end of the twenty days, or as soon thereafter as practicable, to institute

suit in the county where the taxes are due as upon verified account, in the name of the State, in the court having jurisdiction of the amount in controversy, and press the demand to final judgment.

4. Let it be expressly provided that the introduction of the collector's official certificate that the account for taxes is correct as shown by the assessment rolls for the years named shall be sufficient to establish the State's case in court for State and county taxes, on which judgment shall be rendered for the full amount appearing to be due thereby, unless the issue of fact is formed by the defendant on oath in writing, pointing out the errors therein by items, in which event let the case be tried under the ordinary rules of evidence.

6. Exempt the State and county from costs, but prescribe a fee bill that must be paid by the delinquent cast in the action to the officers required to perform duties under the act in the collection of the taxes. It would be well to allow the county attorney at least \$10 for the account collected by suit, and \$1 for the notice served through the mails, that shall be taxed up in the bill of costs against the delinquent.

7. Direct that all suits for taxes shall be brought in the name of the State of Texas in her own right, and for the use of the county, and prescribe that when collections are thus made the amount received shall be remitted by the collector from the hands of the county or district attorney to the State and county treasurers in the proper proportion found to be due.

8. That titles to property under this procedure may become absolute and perfect in time, clear of disturbing technicalities, let the law provide, in obedience to the Constitution, that, after the sale under execution, the delinquent former owner shall have within two years from the date of the purchaser's deed, the right to redeem the land upon payment of double the amount of money paid for it.

9. Should the homestead question be involved so as to affect the title under ordinary execution sale, direct that the county or district attorney having charge of the account shall institute proceedings in the district court to enforce the State's lien for taxes as fixed by the Constitution.

The annual increase of delinquent taxes indicates a lack of respect for, or indifference to, the laws on the subject of taxation. It is well known that many men of ample means scornfully refuse to pay any taxes, and hold the laws on that subject and the officers in contempt. This spirit of indifference to the government is fast growing. The amount due to the State, if paid, would amply re-supply the treasury, and it can be collected within a short period if the Legislature will provide vigorous, safe remedies.

#### DELINQUENT POLL TAXES.

The unpaid delinquent poll taxes amount annually to at least \$150,000, and for the past ten years to over a million and a half dollars. This is a difficult problem to deal with. Many men, fully able to pay their poll taxes, and who from principles of patriotism and personal pride should do so without coercion, wilfully neglect and refuse to do it.

If your honorable bodies will pass a law to take effect under the emergency clause, embodying the following suggestions, you will be able to raise considerable revenue within a reasonable time from this source:

1. Prohibit the Comptroller from drawing any warrant in favor of any person whose name appears upon the delinquent rolls or whom he is reliably informed is in arrears for taxes, until all his taxes due to the government have been paid. This will include a larger class of men than at first may be suspicioned of such unmanly delinquencies.

2. Require the collector of each county to file a list of delinquent tax payers with his county and district clerks, showing all the names of those who are delinquent for a period of years, and the amount due by each of them respectively to the county and State government.

3. Prohibit the county and district clerks from drawing any jury certificate or warrant on the county treasurer in favor of any delinquent until the amounts due to the county and State have been fully paid. This will include many county officers, jurors, road overseers, witnesses, school teachers, business men and others. Allow to the clerk a fixed fee, or a certain per cent on the amount he collects, and require him to execute duplicate receipts for the amount paid—one to the delinquent, and the other, to be accompanied with the payment of the money, to the collector. Make the clerks responsible on their bonds for the amount of uncollected taxes caused by their negligence in the premises. The effect of this law will be, either to bring immediately or ultimately much money into the treasury, or to exclude from the public service many incompetent, worthless men.

#### DELINQUENT OCCUPATION TAXES.

From the very able report of the State Revenue Agent, it appears that in several counties many of the liquor dealers are delinquent in their occupation taxes; and now there are pending against them five or six hundred indictments therefor. He shows that last year, while four hundred of these dealers in one county paid revenue to the United States Government for liquor license, only twenty-one of them paid to the State their occupation taxes for the same period. To defeat the State collections they combine and defend each other in the criminal prosecutions. Should a complaint, information, or indictment be filed against each of these delinquents, it would take quite all the year to try them in any court, to the exclusion of all other business. In this way, by their unpatriotic, criminal conspiracy and corrupt combination, they defeat the ends of justice and escape the payment of their occupation taxes. If your honorable bodies will pass a law embodying the following features, such combinations will end, and the taxes will be forthcoming:

1. Require the district or county attorney, in the name of the State, to file in the court having jurisdiction, a petition for injunction on his official information against every person, corporation, firm, or association that pursues an occupation in his county and fails or refuses to pay the State or county taxes, to restrain the further pursuit of the occupation until all the taxes are paid.

2. Provide that if no sufficient answer be filed to the petition, or if on proper answer the facts proven on the trial support the State's action, the judge shall enter a decree forever restraining the defendant from pursuing the occupation until full payment of all taxes due to the county and State, together with all costs of the action, including a reasonable fee for the State's attorney, to be allowed by the court, are paid.

3. Expressly provide that such actions shall have precedence of all other cases of a different nature in any court where they may be for trial.

4. Make the right of injunction cumulative of all other remedies and penalties prescribed by other laws.

#### EXPENSE OF ASSESSING AND COLLECTING TAXES.

The expenses incurred by the State for the annual assessment and collection of taxes are far beyond the limit of sound economy and good financiering. Aside from the losses sustained from insolvents, erroneous assessments, and on lands sold to the State, the assessors received for their work in 1892 \$218,225.29, and the collectors were paid \$133,036.50, aggregating \$351,261.79 expense for assessing and collecting \$2,572,319.57 taxes that year. To state it differently: For the year 1892 the State paid for the assessment and collection of taxes over 13 per cent on the gross amount received. At this rate, it takes less than eight years for these fees to equal the whole amount of taxes collected by the State for any one year. Many of the assessors are paid from \$2500 to \$4000, others from \$4000 to \$6000, while a few of them receive from \$6000 to \$8000 a year for their work. Collectors are also paid handsomely, liberally.

Certainly a statement of the facts embraces a poignant suggestion that the costs of collecting taxes are by far too high for the services rendered, and should be materially reduced.

#### EVILS OF MUNICIPAL GOVERNMENT.

Perhaps the most menacing condition that threatens the prosperity of the people now lies in the abuses that infest municipal governments. By what methods salutary changes may be wrought, is, to say the least, problematical. The subject is worthy of the most serious consideration of your honorable bodies. The disposition to increase taxes under the pretext of street pavement and public improvement, but in fact to support an idle horde of officials, points with unerring certainty to the dangers that lie ahead of the people. Next to the assassin's gun, the abuse of the taxing power breeds more distress among the people than any other cause with which they must contend. While, under the Constitution, the Legislature is permitted to grant special charters to cities having more than ten thousand population, yet there is nothing in it to require this to be done. At each session of the Legislature lobbyists swarm around the halls, seeking to have city charters amended or re-enacted so as to extend the powers of municipal government. There is but little uniformity either in the ordinances or in the policies or the management of the several cities of this State. In so far as the Constitution will permit, they grow up to be independent municipalities, often menacing property rights and public interests.

It would be well for the Legislature to refuse to grant any more charters, or to amend them; but instead thereof to revise the code and laws on municipal government, and make them apply to all the cities and towns. Or, it would be well to re-enact the laws on municipal government so as to embrace three chapters: The first to apply to and govern cities of over ten thousand; the second, to cities of ten thousand and less and



over five thousand; and the third to towns of five thousand and less. The abuse of the taxing power in many of the municipalities, or towns and cities, is tantamount almost to confiscation of the people's property. Strong restrictions should be placed over these governments for the protection of property from such abuses.

It is common, also, in the small towns, to find several sets of officials who are useless in their idleness, but must be supported at public expense. In some of them it is common to see justices of the peace, recorders, constables, policemen, deputy sheriffs, and "special" officers, each, within his peculiar jurisdictional lines, ready to harass the citizen. It would be well, in towns and cities of less than five thousand inhabitants, to give justices of the peace jurisdiction of all criminal offenses within the city limits, and have the constable or deputy sheriff located there to execute all criminal processes. There is but little use, in such places, for recorders or mayors to try cases, or policemen or special officers to make arrests. Careful investigation and thoughtful attention by your honorable bodies of this municipal question in all its phases, if judicious action is taken, must result in great public good.

#### ESTABLISH FINANCIAL RECTITUDE.

As the State, by suitable legislation, has placed the stamp of honesty upon all municipal and railway bonds so that their contamination by the hand of fraud is no longer permitted, it is well now for the Legislature to take one more step on the line of financial rectitude, to the end that the work may become more complete.

By this it is meant respectfully to suggest that a law should be passed prohibiting any debtor from giving preference to any creditor when he makes an assignment. It should be made plain by legislative enactment that every assignment made by an insolvent, or in contemplation of insolvency, shall be for the benefit of all creditors in proportion to their respective claims, without reference to their locality or the amounts due them. Contention that the citizen should have the right, when he fails in business, to give advantage to his local creditors or friends or neighbors over non-residents or others, in the distribution of his assets, is offensive to the ear of Justice. The money of all creditors has been used by or invested in the assets of the failing debtor; and in the proportion that their claims respectively bear to those assets, a distribution, and the expenses incidental thereto, should be shared and borne without favoritism or discrimination. In other words, the law, in a spirit of justice and equity, should speak and demand that all creditors shall have and receive a due proportion of the assets of the bankrupt debtor, without consulting his wishes at all. The advantage given, under the present assignment laws, to preferred creditors shakes the confidence of all creditors, and produces a suspicion that should not be cast upon the business dealings in our State. It would be well also to permit all creditors to share in a division of the assets of every debtor who may become insolvent and be closed out of business by reason of any attachment that may be levied on his property. With the abuses, arising from a custom that has grown up under the assignment and attachment laws, corrected by suitable legislation, so that all creditors may know that in Texas no tricks or frauds can be practiced upon them by the countenance of law, the people

may expect that degree of confidence and friendship that should prevail between a debtor and creditor will be re-established to the benefit of every material interest in their government.

#### PASS A STAY LAW.

Under the present financial depression known to exist everywhere, it is but just for the Legislature to vest the equity of redemption in every debtor whose real estate may be sold for debt under execution or otherwise. The law should be so framed that the creditor shall be duly compensated for the delay, and the debtor protected in his right to redeem against unconscionable contracts intended to compel him to waive it. Such a law can be made operative only as to contracts entered into after its adoption.

#### CRUSH OUT NEPOTISM.

Nothing contributes much more to the embarrassment of the public service than the practice of nepotism, as it is commonly understood. There is no excuse for it, and it should be crushed out by suitable prohibitive laws. No school trustee or other official connected with the public free schools; no superintendent, manager, trustee, or other officer of any State educational, charitable or penal institution; and no State or county official should be permitted to employ, directly or indirectly, any of his kin people within the third degree of consanguinity or affinity, to perform public service, on public pay, under or in connection with himself or in the institution or department where he exercises any authority whatsoever.

A law prohibiting this vice will greatly relieve public servants, and vastly improve the administration of governmental affairs.

#### RAILWAY FARE.

The law that requires the railway passenger, on failing to purchase a ticket, to pay the conductor 25 per cent more than the regular fare is, to say the least, productive of much inconvenience. Whether its purpose is to punish the negligent passenger, or to reflect on the integrity of the conductor, or to increase the corporate revenues, is immaterial, for it lacks the element of justice and should be repealed.

#### THE MILITIA.

The Constitution declares that the Legislature shall provide by law for organizing and disciplining the militia of the State in such manner as shall be deemed expedient, not incompatible with the Constitution and laws of the United States. This has been done in the past, until now the Texas Volunteer Guard is generally admitted to be equal to the most efficient like organization in the United States. Its membership is composed of the best class of young men in the State, and the officials, including the very able Adjutant-General Mabry, and the commissioned and non-commissioned officers, reflect great credit upon the State by their consummate tact and skill. The organization needs only reason-

able encouragement from the Legislature. Within a short distance from the capitol are the beautiful encampment grounds, where massed once a year the State soldiers receive discipline and education in military tactics. The able General Wheaton, aided by his splendid staff and corps of army officers, has rendered much valuable service and assistance to the Guard during the encampments by their presence, drills, and instructions, and deserves much credit for the high standard attained by this fine organization.

The annual appropriation last year was quite small, barely sufficient to support the Guard while in the service of the State at the camp. It cost the people of the State a few cents per capita to support this army composed of their best young men. It would seem that this is much better than to encourage the growing spirit in some quarters of increasing the standing army of the United States Government. If the State militia, or the Volunteer Guard, is permitted to disorganize for lack of that support required by the State Constitution, then the excuse for increasing the standing army, while not justifiable, will find stronger argument in support of it. To my mind, the disposition to double the United States troops in time of peace has in it an element of alarm that should arouse the American people to active thought, if not to solemn protest against it. There are no war clouds hanging over this government, and the reason for the increase of the standing army can not be looked upon except with some degree of suspicion that the trend of affairs is but to menace local self-government. As far as Texas is concerned, she is amply able to, and should, support her militia or volunteer guard, composed of her own citizens, to comply with all purposes for which an army may be needed, except that portion of the regulars that may be used under the Constitution of the government, to repel invasions or to suppress insurrections, or, as a last contingency, to respond to the order of the President, upon the call of the governor, to suppress domestic violence. Our State should continue to fully perform her functions of government in all respects and minimize the excuse for augmenting the standing army by the General Government, which to the mind of every thoughtful patriot must directly reflect upon the wisdom of the fathers, and the stability of our republican institutions.

#### MOB LAW.

It is gratifying that the spirit of mob law is rapidly weakening within our State. Perhaps there has been less of it in Texas for the past eighteen months than in any other Southern or Western State. The better element of the people stand against it. Common sense is against it. State pride is against it. And every instinct of humanity should be against such a crime as mob murder.

When a man commits an offense, under the laws of this State, the Constitution guarantees to him a fair, impartial public trial. There can be no man in his cooler moments who would not revolt at the destruction of these constitutional safeguards. There is little sentiment or excuse now anywhere to support the spirit of mob violence. Those who contend for it insist that a man should be executed for committing an assault to rape. If the Legislature should deem it advisable to make this offense a capital felony, to be punished by death or confinement in the penitentiary, within

the discretion of the jury, then the last excuse offered by any intelligent man in the State for the encouragement of mob law will be removed. That all men should be fairly tried for their crimes, and mob law be suppressed, should not only be the solemn pledge but the unfailing guarantee and action of the State. To securely guard the citizen against the repetition of mob violence in the future, it is well now to adopt the measures that I suggested at the last regular session, embodying the following features:

“1. That when any person, being a prisoner, or in a jail or other place of confinement, or under arrest or in official custody or restraint, or is held by or under the authority of any county, city or State officer, or is restrained by virtue of any legal process, shall be taken from such place or authority in violation of law and put to death, the county within which such person was so held or confined, and from which he may have been so taken, shall be liable to pay a specified large sum to the surviving husband, wife, children or parents of said person who shall so suffer death.

“2. Make the county also liable for damages when any person not being a prisoner or under legal duress, is mobbed by two or more persons, and the said criminals are not within a specified time indicted and prosecuted for their crime.

“3. Make such person or corporation also liable for damages, who takes part in, or aids by acts, encourages by words or gestures, or who keeps watch, or in any way abets in the mobbing of a person.

“4. Give the surviving relatives an action in the district court of any county where the murder was committed, or in any county where either or all of the plaintiffs may reside when the action is instituted.

“5. Render the sheriff ineligible to hold his office, and provide for his removal when a prisoner is taken from the jail, or from himself, or from any officer or lawful authority in his presence, and is put to death by a mob.

“6. Provide for a change of venue, either before or after indictment, in all cases of mob violence.”

A law embracing the foregoing provisions will place great and effective responsibility upon the local officers of the county, and in this way a just, strong public sentiment against the crime of mobocracy will be given full control, to the end that no man shall be murdered by any combination or conspiracy of men whatever; but that every rational being charged with crime shall have a full, fair trial, according to constitutional methods, through the courts of the country.

#### CODIFIED LAWS.

For some reason, unexplained, the last Legislature failed to adopt the report of the three duly appointed commissioners, who had, in pursuance of an act adopted by the first session of the Twenty-first Legislature, revised and digested the civil and criminal laws of the State.

In so far as any information which has ever been given, the commissioners fully complied with the law under which they acted, and their work seems to have been ably, efficiently performed. Your attention is called to the necessity of at least appointing a committee to investigate this work, so that if it has been well performed the public may have the advantage of the new revised laws in official form.

## DAUGHTERS OF THE REPUBLIC.

An organization, known as "The Daughters of the Republic," consisting of the patriotic, intelligent women whose ancestors were chiefly instrumental in gaining the independence of Texas and establishing it as a great State, has entered upon the intricate, delicate, laudable task of gathering statistics connected with the early life of the government, and of beautifying the historic spots and battle grounds, and erecting monuments to the memory of the heroes and statesmen who performed, at such great sacrifice, the first and best work in the State's history.

The attention of the Legislature is drawn to this movement of the noble women, in the hope that their patriotic pride may be stimulated to render such aid as may be deemed advisable in view of the premises, and that may be necessary to promote and perfect the laudable ends and aims in view by the fairest of our land. The modesty of these ladies, characteristic of the purity of their sex, is as deep and delicate as the pure, patriotic motives that inspire them. Certainly it is time for Texas, when she has grown to such colossal proportions of resplendence and grandeur to look back over the past with the view of doing justice to the memory of the heroes and statesmen to whom her greatness is due. State pride would also dictate suitable appropriations to aid the veterans in purchasing, improving and preserving the historic battle grounds at the Alamo, Goliad, and San Jacinto, and to bear the proportionate part of expense in marking the position occupied by Texas troops in the battles of Chickamauga and other famous fields during the late war.

## MONEY PAID OUT BY THE GOVERNOR. •

Appended hereto you will find an account of the public money received and paid out by myself from the funds subject to my order for the past two years; and the vouchers therefor are on file with the Comptroller, subject to legislative and public inspection and investigation.

In presenting estimates of the expenses necessary for the operation and maintenance of the government for the next two years, your attention is respectfully called to the able reports of the Comptroller, of the Treasurer, the Commissioner of the General Land Office, the Attorney-General, the Superintendent of Public Instruction, the Adjutant-General, the Commissioner of Agriculture, Insurance, Statistics and History, the Secretary of State, the State Health Officer, the Superintendent of Public Buildings and Grounds, the State Revenue Agent, the superintendents of the various charitable and educational institutions, as well as to the reports of the Board of Regents of the University, the Trustees of the Agricultural and Mechanical College and Prairie View Institute, and of the Sam Houston Normal School.

It would be practically impossible for the members of the Legislature to read these reports, though they are very interesting, instructive, and valuable. Your attention is cordially invited to their scrutiny and inspection, with the hope that familiarity with them may produce much enlightenment for the benefit of the people. As a suggestion of a simple method by which the members of the Legislature may become familiar with and well informed upon the condition of the State Government in all its details, without the necessity of many weeks of hard reading and

investigation of the reports, it would doubtless be very profitable to them, and not objectionable to the officers themselves, for the Legislature, by resolution, to call upon the heads of the various departments to deliver addresses in the Hall of Representatives in the afternoons and nights during the first few weeks of the session. If this custom could obtain, it would become very useful and beneficial in aid of legislation. The experienced head of a department could, within an hour's time, through a public address, impart more information to the already well informed Senators and Representatives than could be acquired otherwise by tedious investigation and close study for many days.

#### PUBLIC BUILDINGS AND GROUNDS.

Sound economy and good taste dictate that suitable appropriations should be made to keep the capitol building in good repair, and to clean up and decently improve the spacious grounds surrounding it.

A new home for the Governor is also needed, and should be constructed without much delay. The State is amply able to furnish and support public buildings in keeping with her dignity and pride, and no citizen who pays taxes can have any reasonable objection to it.

#### ANTI-TRUST LAW.

From present indications, there is but little doubt that strong efforts will be made at the present session of the Legislature to repeal, or weaken by amendment, the Texas anti-trust law, upon the alleged grounds:

1. That it is void because it nowhere expressly prohibits trusts as defined in the act.

2. That it is unconstitutional for the reason that the provisions of the law do not apply to agricultural products or live stock while in the hands of the producer or raiser.

3. That the law is obnoxious to sound public policy.

The validity of this measure has been before the Supreme Court of this State on the first and second of these points, as well as upon the proposition that the law did not, in the definition of trusts, include and prohibit a combination of two or more insurance companies to fix and maintain insurance rates and the commissions of insurance agents. After an elaborate discussion of the last question, which was the main one in the case, the court decided that insurance rates and commissions were not embraced in the terms of the act. The law, however, was not held unconstitutional. On the contrary, the able discussion of it, and the court's action in not holding it unconstitutional, lead to a fair conclusion that on a final test the whole act will be sustained.

Should the Legislature choose to amend this law, I beg to suggest that two points only need settling:

1. That trusts and conspiracies against trade, as defined in section 1 of the act, are expressly prohibited.

2. That when two or more insurance companies, or their agents or representatives, combine or agree to raise or establish uniformity of insurance rates, or the fees or commissions connected with or affecting insurance, they and each of them so acting shall be deemed guilty of a conspiracy against trade, and subject to the provisions of the law. Additional

to this, should the law be amended or re-enacted, it would be best to expressly provide that the new act shall not have the effect to release or waive any right of action or defense of the State or of any person, company, or corporation in relation to any penalty, right, or forfeiture which may have arisen under the old law; but that they, each and all, shall remain intact.

If it is against sound public policy to interfere with trusts, then monopoly, in its worst form, is a virtue. The contention that this anti-trust law is a menace to prosperity and will deter capital from investing in this State is, logically, to insist that the way to induce the investment of capital, and to promote prosperity, is to welcome monopoly and legalize trusts—to substitute combination to fetter trade for competition to give it freedom. Since the enactment of this law no State has prospered more than Texas. Since then our people have been vexed very little with trusts, except from non-resident sources. They will, in time, become clear of the evil entirely if the law shall continue to be impartially, vigorously enforced. If there are any trusts now within the State, the officers of the law are unable to hear of them. As to those of other States, we have no control, except to use every effort to have their operations within the State suppressed.

Two years ago indictments were found against members of a trust in another State, and they were brought to Texas and punished. Since then they seem to have ceased their operations in the State. Recently the members of another trust have been indicted. Application was made to me by the local officers for these criminals, in which the statement was made that they were "fugitives from justice." On this official representation, I granted requisitions to the Governors of the States in which they were domiciled. On ex parte statements of the defendants that they were not "fugitives from justice," these Executives refused to grant warrants for their arrest. On notification that one of them had gone into another State, I sent requisition there for him. This was honored, but subsequently the warrant was revoked, as stated by the Governor, for the reason that the defendant "protests that he was never in Texas and has never done any business in that State." When the papers reached me, they were regular, and officially stated that these criminals were "fugitives from justice." I so forwarded them to the several Governors, and thus discharged my official duty. As to whether these men are "fugitives from justice" is a mixed question of fact and law. The papers being regular before these Executives, it occurred to me that this, the main question involved in each case, could have been appropriately left to the courts to settle. This was not done. So, there is nothing more at the present that the Texas authorities can do, but to enjoy the consolation that this class of criminal offenders go to other States for an asylum and protection.

Your honorable bodies can perform no more valuable service to the people than to appropriate sufficient public funds by which the Governor may in all respects have this anti-trust law fully enforced.

#### CONCLUSION.

Legal science, political philosophy, and experience teach us that the greatest imperfections of human government can be traced to the failure to impartially and faithfully enforce the laws. Completeness of the

law must not be expected, for the perfection of civilization can never be reached; but the tranquility, safety, and happiness of the people may be assured by strict obedience to their will in the faithful execution of such laws as their duly constituted representatives shall adopt. The germ of discontent lying in the hearts of Americans was placed there by treacherous official hands thrust above duty to confer on the favored few immunity from all law. Texans will not participate in the crime.

J. S. HOGG, Governor.

## APPENDIX.

### MONEY PAID OUT.

Statement of money paid from funds subject to the Governor's order, with vouchers, from January 5, 1893, to January 4, 1895, inclusive, to-wit:

For salary of Governor.....	\$8,000 00
For salary of Private Secretary.....	4,000 00
For salary of Stenographic Clerk and Secretary of Penitentiary Board	3,000 00
For salary and expenses of Revenue Agent.....	4,099 56
For salary of porter, Executive office.....	960 00
For payment of rewards and other contingent expenses necessary in the enforcement of the laws.....	20,048 48
For books, stationery, periodicals and newspapers.....	368 68
For freight, postage and telegraphing.....	1,042 48
For contingent expenses, Executive office.....	273 93
Expenses and collecting testimony in the Greer county case, now pending in the Supreme Court of the United States.....	6,654 85
For Governor's mansion and furniture, including repairs to mansion and improvements of grounds surrounding mansion.....	1,810 12
For gardener and labor and keeping up of grounds surrounding man- sion .....	725 75
For water and ice for mansion .....	282 05
For fuel and lights for mansion.....	840 45
Contingent expenses for mansion and grounds.....	24 71